



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**LARRY B. MARTIN
COMMISSIONER**

FOR IMMEDIATE RELEASE
THURSDAY, NOVEMBER 13, 2014

CONTACT: DAVID THURMAN
615-741-4806

OCTOBER REVENUES

NASHVILLE, Tenn. – Tennessee revenue collections for October were more than collections for the same month last year and exceeded the budgeted estimate. Finance and Administration Commissioner Larry Martin today reported that collections for October were \$874.1 million, which is 5.69% more than October 2013, and \$15.3 million more than the budgeted estimate.

“The negative growth rate reported in corporate tax collections for October is not unusual for the business cycle,” Martin said. “October is the month when calendar year tax filers request a refund if they have overpaid their actual tax liability in previous months.

“The sales tax is our best economic indicator, and in October recorded the strongest first quarter growth since 2011. This is encouraging, but we must continue to closely monitor revenues and expenditures to keep Tennessee’s budget balanced.”

On an accrual basis, October is the third month in the 2014-2015 fiscal year.

General fund collections for October were \$10.2 million more than the budgeted estimate, and the four other funds that share in state tax collections were \$5.1 million above the estimate.

Sales tax collections were \$17.5 million above the estimate for October. The October growth rate was 7.27%. The year-to-date growth rate was positive 6.44%.

Franchise and excise combined collections for October were \$26.8 million, which is \$19.2 million below the budgeted estimate of \$46.0 million.

Gasoline and motor fuel collections increased by 7.67%, which is \$1.8 million above the budgeted estimate of \$71.3 million.

Tobacco tax collections for the month were over collected by \$3.1 million.

Privilege tax collections were \$1.9 million more than the budgeted estimate of \$27.0 million.

Inheritance and Estate taxes were over collected by \$3.9 million for the month.

Business tax collections were \$0.7 million above the October estimate.

Hall income taxes were over collected by \$2.2 million in October.

All other taxes were over collected by a net of \$3.4 million.

Year-to-date collections for three months were \$101.6 million more than the budgeted estimate. The general fund was over collected by \$91.0 million and the four other funds were over collected by \$10.6 million.

The budgeted revenue estimates for 2014-2015 are based on the State Funding Board's consensus recommendation of December 17th, 2013 and adopted by the second session of the 108th General Assembly in April 2014. They are available on the state's website at <http://www.tn.gov/finance/bud/Revenues.shtml>.

Table 1
Revenue Collections by Fund
October
2014-2015

Fund	2014				2013	2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$710,380,000	\$700,198,000	\$10,182,000	1.45%	\$669,143,000	\$41,237,000	6.16%
Highway Fund	60,067,000	58,649,000	1,418,000	2.42%	55,851,000	4,216,000	7.55%
Sinking Fund	31,273,000	31,108,000	165,000	0.53%	34,229,000	(2,956,000)	-8.64%
City & County Fund	68,796,000	65,282,000	3,514,000	5.38%	64,928,000	3,868,000	5.96%
Earmarked Fund	3,584,000	3,584,000	0	0.00%	2,900,000	684,000	23.59%
Total	\$874,100,000	\$858,821,000	\$15,279,000	1.78%	\$827,051,000	\$47,049,000	5.69%

Revenue Collections by Tax
October
2014-2015

Tax Source	2014				2013	2014	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$26,820,000	\$46,000,000	(\$19,180,000)	-41.70%	\$43,228,000	(\$16,408,000)	-37.96%
Income	5,490,000	3,320,000	2,170,000	65.36%	2,751,000	2,739,000	99.56%
Inheritance & Estate	10,082,000	6,232,000	3,850,000	61.78%	11,114,000	(1,032,000)	-9.29%
Gasoline	51,726,000	49,880,000	1,846,000	3.70%	47,599,000	4,127,000	8.67%
Petroleum Special	5,371,000	5,239,000	132,000	2.52%	4,974,000	397,000	7.98%
Tobacco	26,342,000	23,275,000	3,067,000	13.18%	23,158,000	3,184,000	13.75%
Beer	1,590,000	1,561,000	29,000	1.86%	1,416,000	174,000	12.29%
Motor Vehicle Registration	21,114,000	20,559,000	555,000	2.70%	19,983,000	1,131,000	5.66%
Motor Vehicle Title	1,170,000	994,000	176,000	17.71%	1,045,000	125,000	11.96%
Mixed Drink	6,860,000	5,984,000	876,000	14.64%	5,946,000	914,000	15.37%
Business	4,068,000	3,367,000	701,000	20.82%	2,814,000	1,254,000	44.56%
Privilege	28,916,000	26,990,000	1,926,000	7.14%	24,476,000	4,440,000	18.14%
Gross Receipts	12,000	139,000	(127,000)	-91.37%	(103,000)	115,000	-111.65%
TVA - In Lieu of Tax Payments	28,623,000	27,200,000	1,423,000	5.23%	27,076,000	1,547,000	5.71%
Alcoholic Beverage	4,453,000	4,006,000	447,000	11.16%	3,899,000	554,000	14.21%
Sales and Use	635,126,000	617,649,000	17,477,000	2.83%	592,089,000	43,037,000	7.27%
Motor Vehicle Fuel	16,023,000	16,168,000	(145,000)	-0.90%	15,340,000	683,000	4.45%
Severance	306,000	258,000	48,000	18.60%	237,000	69,000	29.11%
Coin-operated Amusement	8,000	0	8,000	NA	9,000	(1,000)	-11.11%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$874,100,000	\$858,821,000	\$15,279,000	1.78%	\$827,051,000	\$47,049,000	5.69%

Table 2
Revenue Collections by Fund
Year-to-Date
August - October
2014-2015

Fund	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$2,385,761,000	\$2,294,743,000	\$91,018,000	3.97%	\$2,258,492,000	\$127,269,000	5.64%
Highway Fund	176,691,000	174,120,000	2,571,000	1.48%	169,002,000	7,689,000	4.55%
Sinking Fund	93,622,000	93,234,000	388,000	0.42%	102,673,000	(9,051,000)	-8.82%
City & County Fund	228,315,000	220,722,000	7,593,000	3.44%	199,111,000	29,204,000	14.67%
Earmarked Fund	10,751,000	10,749,000	2,000	0.02%	8,701,000	2,050,000	23.56%
Total	\$2,895,140,000	\$2,793,568,000	\$101,572,000	3.64%	\$2,737,979,000	\$157,161,000	5.74%

Revenue Collections by Tax
Year-to-Date
August - October
2014-2015

Tax Source	2014 - 2015				2013-2014	2014-2015	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$379,902,000	\$370,701,000	\$9,201,000	2.48%	\$351,968,000	\$27,934,000	7.94%
Income	8,670,000	6,360,000	2,310,000	36.32%	5,434,000	3,236,000	59.55%
Inheritance & Estate	27,870,000	20,119,000	7,751,000	38.53%	31,931,000	(4,061,000)	-12.72%
Gasoline	158,951,000	155,013,000	3,938,000	2.54%	150,765,000	8,186,000	5.43%
Petroleum Special	16,402,000	16,117,000	285,000	1.77%	15,595,000	807,000	5.17%
Tobacco	70,744,000	69,727,000	1,017,000	1.46%	68,062,000	2,682,000	3.94%
Beer	4,744,000	4,803,000	(59,000)	-1.23%	4,614,000	130,000	2.82%
Motor Vehicle Registration	62,085,000	62,478,000	(393,000)	-0.63%	61,862,000	223,000	0.36%
Motor Vehicle Title	3,208,000	3,144,000	64,000	2.04%	3,166,000	42,000	1.33%
Mixed Drink	20,447,000	17,979,000	2,468,000	13.73%	17,712,000	2,735,000	15.44%
Business	16,868,000	5,925,000	10,943,000	184.69%	31,425,000	(14,557,000)	-46.32%
Privilege	79,355,000	70,536,000	8,819,000	12.50%	68,411,000	10,944,000	16.00%
Gross Receipts	13,669,000	14,129,000	(460,000)	-3.26%	11,929,000	1,740,000	14.59%
TVA - In Lieu of Tax Payments	89,447,000	87,300,000	2,147,000	2.46%	88,424,000	1,023,000	1.16%
Alcoholic Beverage	13,021,000	12,625,000	396,000	3.14%	12,561,000	460,000	3.66%
Sales and Use	1,886,974,000	1,835,128,000	51,846,000	2.83%	1,772,849,000	114,125,000	6.44%
Motor Vehicle Fuel	42,012,000	40,744,000	1,268,000	3.11%	40,485,000	1,527,000	3.77%
Severance	720,000	740,000	(20,000)	-2.70%	697,000	23,000	3.30%
Coin-operated Amusement	51,000	0	51,000	NA	89,000	(38,000)	-42.70%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$2,895,140,000	\$2,793,568,000	\$101,572,000	3.64%	\$2,737,979,000	\$157,161,000	5.74%